

GUARANTY BANK AND TRUST COMPANY 1974 ANNUAL REPORT

37
1974

IN OBSERVATION OF THIRTY-
SEVEN YEARS OF GROWTH, PROGRESS AND COMMUNITY
INVOLVEMENT IN THE AFFAIRS OF ACADIANA, GUARANTY
BANK AND TRUST COMPANY DEDICATES THIS THEIR
THIRTY-SEVENTH ANNUAL REPORT TO THE FACULTY,
STUDENTS AND ALUMNI OF THE UNIVERSITY OF
SOUTHWEST LOUISIANA.



37
1974

GUARANTY BANK AND TRUST COMPANY 1974 ANNUAL REPORT

Contents

Message to the Shareholders	1
USL and our Community.....	3
USL, Past and Present	4-5
Guaranty Bank, Past and Present	6-7
Consolidated Statement of Condition.....	8-9
Consolidated Statement of Earnings.....	10-11
Consolidated Statement of Changes in Capital Surplus and Undivided Profits.....	12
Notes to Financial Statements.....	13-14
Guaranty's Growth Profile	15
Officers and Directors.....	16

Financial Highlights

Income and Dividends

	1974	1973	CHANGE
Total Operating Revenues	\$ 11,213,272	\$ 9,116,145	23%
Net Income	1,793,248	1,674,740	7.1%
Net Income Per Share	4.78	4.47	
Cash Dividends Paid	375,000	262,500	42.9%
Cash Dividends Paid Per Share	1.00	.70	

Statement of Condition (Year End)

Assets	\$165,533,638	\$138,490,889	19.5%
Deposits	136,527,604	116,629,268	17.1%
Loans	95,901,963	82,279,336	16.6%
Investments	21,849,293	20,589,616	6.1%
Shareholders' Equity	12,551,955	11,143,678	12.6%
Number of Shareholders	1,352	1,353	11.5%
Number of Employees	208	178	16.9%
Number of Offices	10	8	25.0%

To Our Stockholders

The world sometimes seems too quick to change, too dynamic to understand. Mass communications, especially television via world-watching satellites, show major events almost as they happen with the expectation of more to come. It is difficult to assimilate but we must keep up because the whole world, as large as we have learned it to be, is really smaller than yesterday and infinitely promising if we use our knowledge and resources creatively.

This past year has driven home the point that people and their institutions worldwide are dependent across continents, across oceans, across nations. The energy and food crises, particularly in shortages of oil and grains, touched and still touch everybody everywhere. We know it is true in Acadiana. We know it is true in Lafayette.

In 1974, Guaranty Bank—employees, directors, shareholders and customers—felt with the rest of Acadiana the local impact of national and international conditions and responded by using our resources to make it a year of profitable growth. Our net earnings of \$1,793,248 (\$4.78 per share) increased more than 7 per cent over the previous year. At the end of the year, our total assets were \$165,533,638 with total deposits of \$136,527,604 and total loans outstanding of \$95,901,963. In percentage growth, assets were up 19.5 per cent, deposits increased 17.1 per cent, and loans outstanding climbed 16.6 per cent.

We can guardedly enjoy real satisfaction knowing we did well in challenging times. It was a unified effort to make the most of our resources, using them wisely, judiciously, for maximum return in a market where many others were realizing minimum profit or even losses. I want to thank all of you who are Guaranty Bank and Trust Company. You did it and, while day-to-day you may not have noticed this growing accomplishment, I know you appreciate it now, seeing it in a year's perspective. Most of all, you know that by making Acadiana's economy better, you helped make people's lives better.

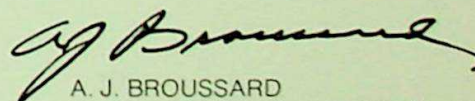
I began this message by looking out at the world from our time, the end of 1974, and from our place, Acadiana, to see instant history and interdependent peoples and institutions. Guaranty Bank and Trust Company has its place and is fulfilling its role, but not alone. There is everyone else who lives in Acadiana and one in particular whose influ-

ence exceeds any set time or special place because its role is to educate our young men and women. And you cannot put limits on what educated, creative people can do. You know I mean the University of Southwestern Louisiana.

A good university such as USL gives us intellectual resources and technical skills to cope with contemporary problems. Later in this report, we will review USL contributions to Acadiana which are, like those of hospitals, retail merchants, governments, farmers, banks, industries, essential to modern community living. It is timely that this report be dedicated to USL since many of our hoped-for answers to complex problems, energy, and food inflation for example, will partly come from colleges and universities working and growing with our other institutions.

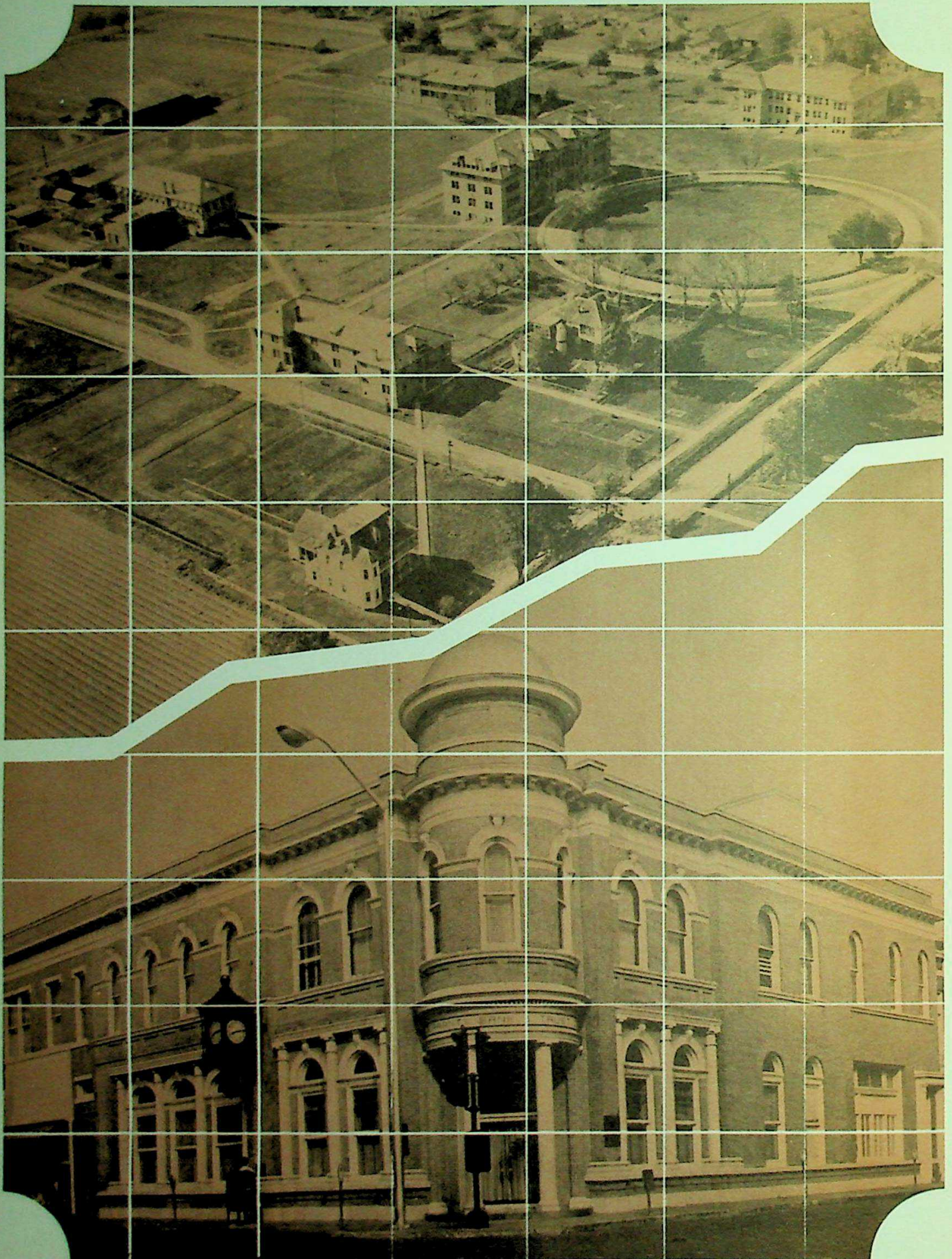
In 1937 when Guaranty Bank and Trust Company opened with 9 employees, USL had an enrollment of 1,377 students. Today, 200 plus persons serve Acadiana at Guaranty Bank and Trust Company and 12,000 plus students attend USL. Over the years, as times changed and more people needed and used our services, GBT and USL changed and grew to meet these needs.

Now, at the close of 1974, a good year for Guaranty Bank and Trust Company, we look forward to 1975 and are optimistic that it, too, will give us equal cause for appreciation and thankfulness. Your continued, vital interest is the best interest we can build on.



A. J. BROUSSARD
President and Chairman of the Board





USL and our Community

Can a dollar value be put on an education? Yes. But it will not reveal the full worth of an educated man. Ask other questions. Questions about decision making, balanced judgement, patience to understand issues, skills to find facts or discern attitudes and relate them into whole solutions to problems. In business, industry, family life, social service organizations, politics, wherever people work together, a good man is priceless, and sometimes hard to find.

Over the years, the University of Southwestern Louisiana has worked to educate Acadiana's young men and women. It has trained them in skills to earn a living and has exposed them to a world of knowledge and theory to guide them to make good decisions they and their fellowmen can contentedly live with. It's a tough job with tangible accomplishments hard to define because the product is human development in the personalities of unique students. But one measure of success is, in a business phase, "repeat customers", people who approve what you are doing and come back for more. This is happening at USL. In 1937, when Guaranty Bank took its place beside USL (SLI back then) and other Acadiana service institutions, enrollment numbered 1,377 students. Ten years later, it had nearly tripled to 3,383, and in 1957 4,136 students attended SLI. Another ten years, however, brought a boom to the University when 9,332 students registered, nearly nine times as many as when GBT had opened 30 years before. Today, USL counts more than 12,000 people enrolled with a faculty that has grown from 70 in 1937 to almost 500 this year. This enrollment is the University's largest at a time when many other schools are feeling a drop in student registrations.

Men and women come to USL primarily from Acadiana but also from across Louisiana, the United States and some foreign countries. Most remain in Acadiana after they are graduated with Baccalaureate, Master's or Doctor of Philosophy degrees and use their skills and knowledge in their home region. USL teaches and trains them as engineers for our petrochemical industry, medical personnel for our hospitals, teachers for our children, businessmen for managing our stores and financial institutions, agricultural experts for our food industries and our dinner tables, artists, writers and actors for our personal enrichment in beauty and sensitivity and on

and on through more than 100 degree programs. The list of the University's contributions to Acadiana and beyond, if it could be measured in dollars, would be an invaluable sub-total of the whole worth of our southwest Louisiana way of life.

In a small way, some of this Acadiana life style is measureable in financial terms. USL's contribution, in a strictly economic sense can be defined. Here are some facts indicating the University's contribution to the local community in identifiable dollars. In the Lafayette metropolitan area in 1973, the total retail sales were more than \$335 million. USL students alone spent about \$250 each per month during the fall and spring terms on housing, retail sales and other needs such as medicine, transportation, etc. When multiplied by the present enrollment of 12,000 students, this means that the USL student body alone, not counting the University's operating budget and capital and other expenditures, contributes \$3 million per month to the local economy or \$27 million during the nine months of two terms. To this figure of \$27 million can be added the University's operating budget of \$14.8 million which includes \$10.8 million in salaries. Another \$7.18 million in student loans, grants, wages and other expenditures may be counted with the operating budget for total University expenditures in the Lafayette economy amounting to \$22.6 million. When these University expenditures are combined with the students' personal expenditures, the amount spent in a year by the USL community is \$49.6 million, or 12.1 per cent of the total consumer spendable income in the metropolitan area. And this amount does not include a projected capital expenditure of \$5.6 million during the next 17 months.

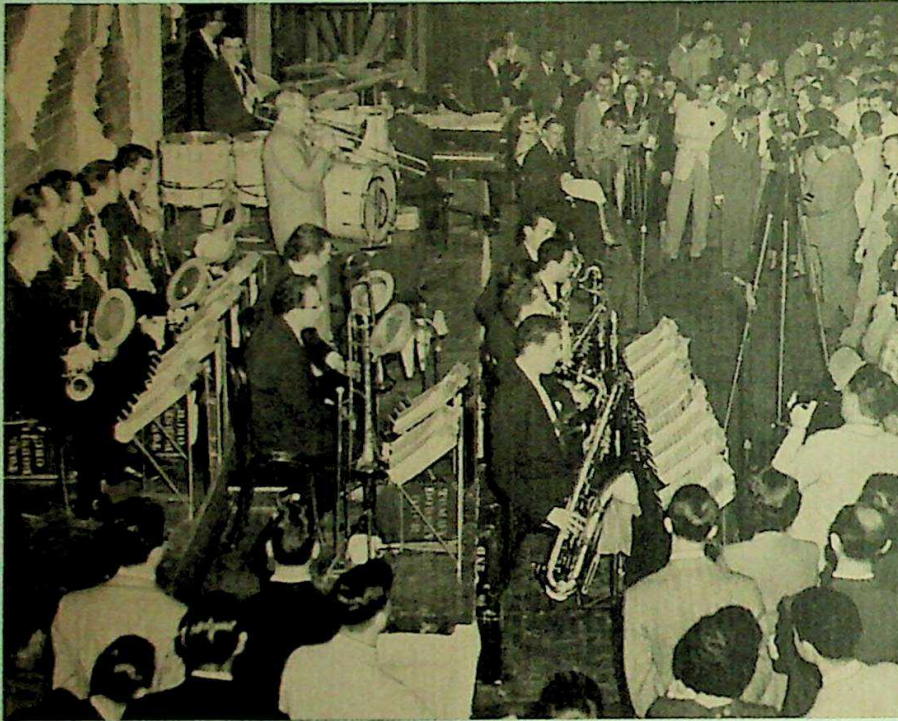
While an education cannot be given a price tag that defines its worth in a totally human way, the economic impact of the educational institution on its community can be assessed in rigid but financially meaningful terms. However, it is the whole worth of USL in Acadiana's life style that makes this University a vital community member whose contributions will continue to enrich us through the people it educates.

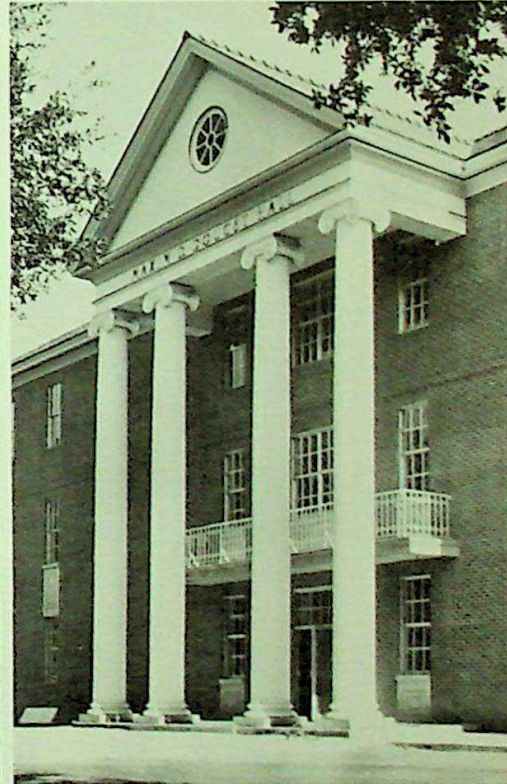
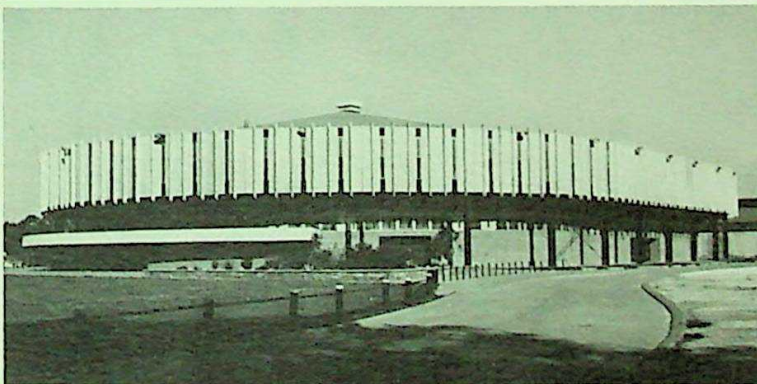
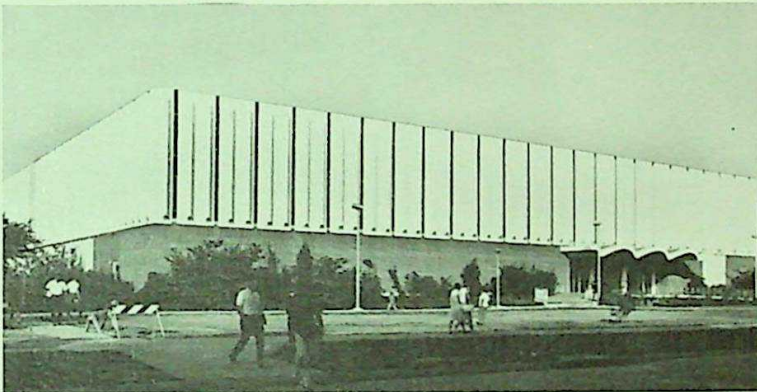
Guaranty Bank and Trust is grateful to have received 37 years of benefits from growing along with USL.



U.S.L., PAST AND PRESENT

Yesterday's costumes make us smile, but this year's styles are just the next decade's nostalgia. Thirty-seven years at U.S.L. have brought about changes in architecture and attire to reflect people's changing tastes.

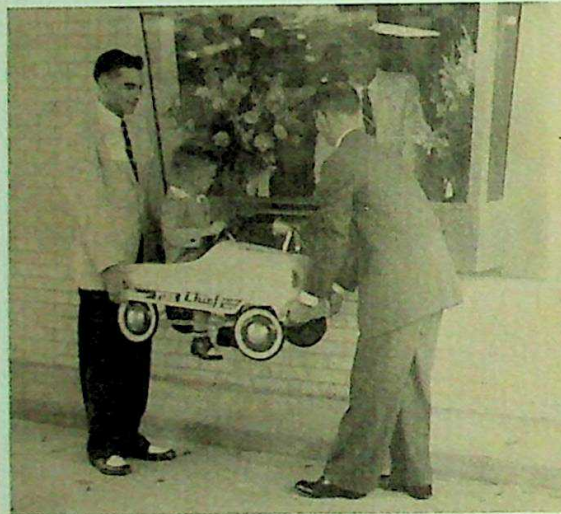
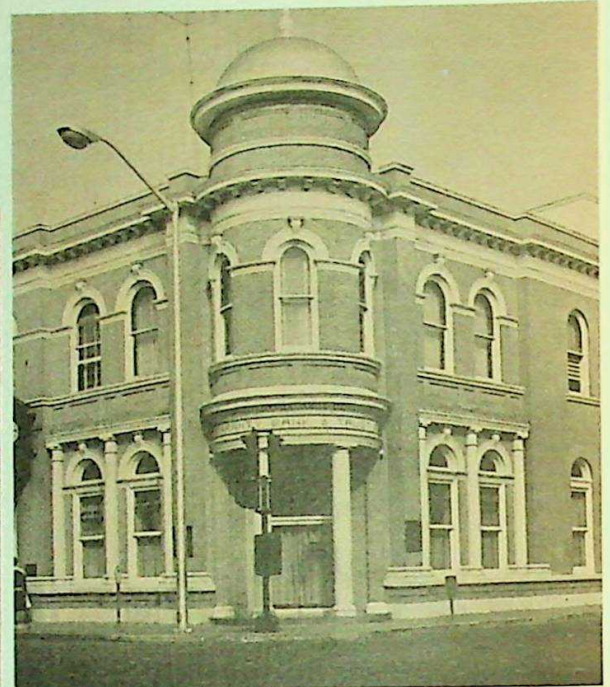




37
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GUARANTY BANK, PAST AND PRESENT

If a day can make a difference, thirty-seven years can bring about a change. The look of Guaranty Bank has changed, but the founding principle of service to Acadiana has remained the same.





37
1974



Consolidated Statement of Condition

Assets

	12-31-74
Cash and Due From Banks	\$ 24,677,649
Federal Funds Sold	14,750,000
U. S. Government Obligations	8,948,350
State and Municipal Obligations	12,714,103
Other Securities	186,840
Loans and Discounts	95,901,963
Bank Premises and Equipment	3,614,068
Other Real Estate	148,545
Customer's Liability on Letters of Credit	3,441,419
Interest Earned but not Collected	1,023,709
Other Assets	126,992
TOTAL ASSETS	\$165,533,638

Liabilities

Deposits:	
Demand	\$ 77,001,401
Time	59,526,203
TOTAL DEPOSITS	136,527,604
Semi-Annual Dividends Payable	187,500
Federal Funds Purchased	6,200,000
Note for Borrowed Money	356,030
Bank's Liability on Letters of Credit	3,441,419
Unearned Discount	3,866,715
Reserve for Taxes	208,505
Accrued Interest Payable	563,273
TOTAL LIABILITIES	\$151,351,046
RESERVE FOR LOAN LOSSES	1,630,637
Capital	\$ 3,750,000
Surplus	4,000,000
Undivided Profits	4,801,955
TOTAL CAPITAL	\$ 12,551,955
TOTAL LIABILITIES AND CAPITAL ACCOUNTS	\$165,533,638

12-31-73	12-31-72	12-31-71	12-31-70
\$ 22,915,863	\$ 17,831,339	\$14,777,009	\$16,634,731
5,000,000	3,500,000	5,000,000	1,250,000
9,578,208	8,273,824	9,208,715	6,923,818
10,776,367	9,269,559	7,424,228	4,515,636
235,041	233,135	123,956	142,000
82,279,336	71,248,655	54,543,702	44,861,802
3,507,784	3,530,267	3,769,061	3,434,703
5,557	2	2,725	64,680
3,075,573	3,295,442	1,759,251	1,734,715
1,035,648	750,620	691,702	513,712
<u>87,512</u>	<u>75,868</u>	<u>70,557</u>	<u>80,109</u>
\$138,490,889	\$118,008,711	\$97,370,906	\$80,155,906

\$ 67,391,019	\$ 59,594,288	\$51,727,407	\$47,607,582
<u>49,238,249</u>	<u>39,272,142</u>	<u>31,162,127</u>	<u>19,416,855</u>
116,629,268	98,866,430	82,889,534	67,024,437
131,250	105,000	105,000	105,000
2,200,000	1,605,000	150,000	250,000
238,417	—	—	—
3,075,573	3,295,442	1,759,251	1,734,715
2,862,853	2,394,086	2,168,692	1,942,562
230,614	374,282	416,648	250,080
<u>578,126</u>	<u>427,824</u>	<u>294,473</u>	<u>170,337</u>
\$125,946,101	\$107,068,064	\$87,783,598	\$71,477,131
1,401,110	1,208,367	939,630	942,806
\$ 3,750,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000
3,000,000	3,000,000	3,000,000	2,800,000
<u>4,393,678</u>	<u>3,732,280</u>	<u>2,647,678</u>	<u>1,935,969</u>
\$ 11,143,678	\$ 9,732,280	\$ 8,647,678	\$ 7,735,969
\$138,490,889	\$118,008,711	\$97,370,906	\$80,155,906

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

Consolidated Statement of Earnings

OPERATING INCOME:	1974	%	1973	%
Interest and Discount on Loans	\$8,524,520	76.0	\$7,089,823	77.8
Interest and Dividends on:				
U. S. Government Obligations	1,390,130	12.4	894,867	9.8
Other Securities	563,656	5.0	490,000	5.4
Service Charges on Deposit Accounts	566,610	5.1	493,373	5.4
Other Operating Income	168,356	1.5	148,082	1.6
TOTAL INCOME	11,213,272	100.0	9,116,145	100.0
 OPERATING EXPENSES:				
Salaries	1,817,744	16.2	1,420,463	15.6
Pension and other employee benefits	233,205	2.1	178,734	2.0
Interest on deposits	3,361,393	30.0	2,329,518	25.6
Net Occupancy—Bank Premises	583,984	5.2	503,890	5.5
Equipment rentals and maintenance	282,001	2.5	211,727	2.3
Depreciation	263,446	2.3	267,254	2.9
Transfer to Reserve for Possible Loan Losses. . .	544,521	4.9	466,630	5.1
Other Expenses	1,248,354	11.1	1,009,444	11.1
TOTAL EXPENSES	8,334,648	74.3	6,387,660	70.1
NET INCOME BEFORE INCOME TAX	2,878,624	25.7	2,728,485	29.9
INCOME TAXES	1,085,376	9.7	1,053,745	11.6
NET INCOME	\$1,793,248	16.0	\$1,674,740	18.3

DATA "PER SHARE" OF CAPITAL STOCK

Based on 375,000 shares outstanding 12/31/74

Net Income	\$4.78	\$4.47
Cash Dividends Declared	1.00	.70

1972	%	1971	%	1970	%
\$5,440,848	75.7	\$4,312,120	73.3	\$3,675,409	75.7
725,607	10.1	720,550	12.2	400,368	8.2
402,114	5.6	258,048	4.4	194,454	4.0
481,501	6.7	464,486	7.9	462,494	9.5
<u>137,557</u>	<u>1.9</u>	<u>130,930</u>	<u>2.2</u>	<u>125,553</u>	<u>2.6</u>
7,187,627	100.0	5,886,134	100.0	4,858,278	100.0
1,248,873	17.4	1,187,286	20.2	1,022,569	21.0
155,143	2.2	111,801	1.9	116,048	2.4
1,621,668	22.6	1,019,278	17.3	771,316	15.9
498,872	6.9	439,504	7.5	313,799	6.5
184,525	2.6	169,078	2.9	134,417	2.8
288,592	4.0	291,694	5.0	215,383	4.4
332,379	4.6	27,141	.4	42,423	.9
<u>740,203</u>	<u>10.3</u>	<u>858,125</u>	<u>14.6</u>	<u>621,340</u>	<u>12.8</u>
<u>5,070,255</u>	<u>70.6</u>	<u>4,103,907</u>	<u>69.8</u>	<u>3,237,295</u>	<u>66.6</u>
2,117,372	29.4	1,782,227	30.2	1,620,983	33.4
<u>822,770</u>	<u>11.4</u>	<u>690,518</u>	<u>11.7</u>	<u>670,761</u>	<u>13.8</u>
\$1,294,602	18.0	\$1,091,709	18.5	\$ 950,222	19.6
\$3.45		\$2.91		\$2.53	
.56		.48		.48	

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

Consolidated Statement of Changes

in Capital Surplus and Undivided Profits

	1974	1973	1972	1971	1970
Total Capital Funds—Beginning of year	\$11,143,678	\$ 9,732,280	\$8,647,678	\$7,735,969	\$4,565,747
Net Operating Income	1,793,248	1,674,740	1,294,602	1,091,709	950,222
Sale of 60,000 shares of capital stock	—	—	—	—	2,400,000
TOTAL	12,936,926	11,407,020	9,942,280	8,827,678	7,915,969
Less: Dividends Paid	375,000	262,500	210,000	180,000	180,000
Cost of Stock Dividend	—	842	—	—	—
Income Tax Adj. — 1973	9,971	—	—	—	—
Total Capital Funds—End of Year	<u>\$12,551,955</u>	<u>\$11,143,678</u>	<u>\$9,732,280</u>	<u>\$8,647,678</u>	<u>\$7,735,969</u>

in Reserve for Possible Loan Losses

	1974	1973	1972	1971	1970
Reserve—Beginning of year	\$1,401,110	\$1,208,367	\$ 939,630	\$ 942,806	\$ 942,805
Additions: Recoveries	101,017	77,802	67,751	96,587	172,232
Provisions for loan losses charged to operating expenses	544,521	466,630	332,379	27,140	42,423
	2,046,648	1,752,799	1,339,760	1,066,533	1,157,460
Less: Loans charged off	416,011	351,689	131,393	126,903	214,654
Reserve—End of Year	<u>1,630,637</u>	<u>1,401,110</u>	<u>1,208,367</u>	<u>939,630</u>	<u>942,806</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

Notes to Financial Statements

BANK PREMISES AND EQUIPMENT :

	Cost	Accumulated Depreciation	Net Bank Value
Bank Premises	\$ 2,998,115	\$ 972,914	\$ 2,025,201
Land	875,394	—	875,394
Equipment	<u>1,542,259</u>	<u>828,786</u>	<u>713,473</u>
TOTALS	\$ 5,415,768	\$ 1,801,700	\$ 3,614,068

Depreciation charges against earnings amounted to \$263,446.37 for the year ended December 31, 1974.

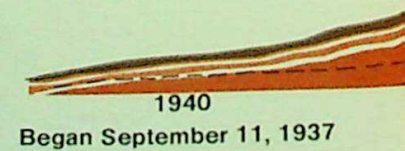
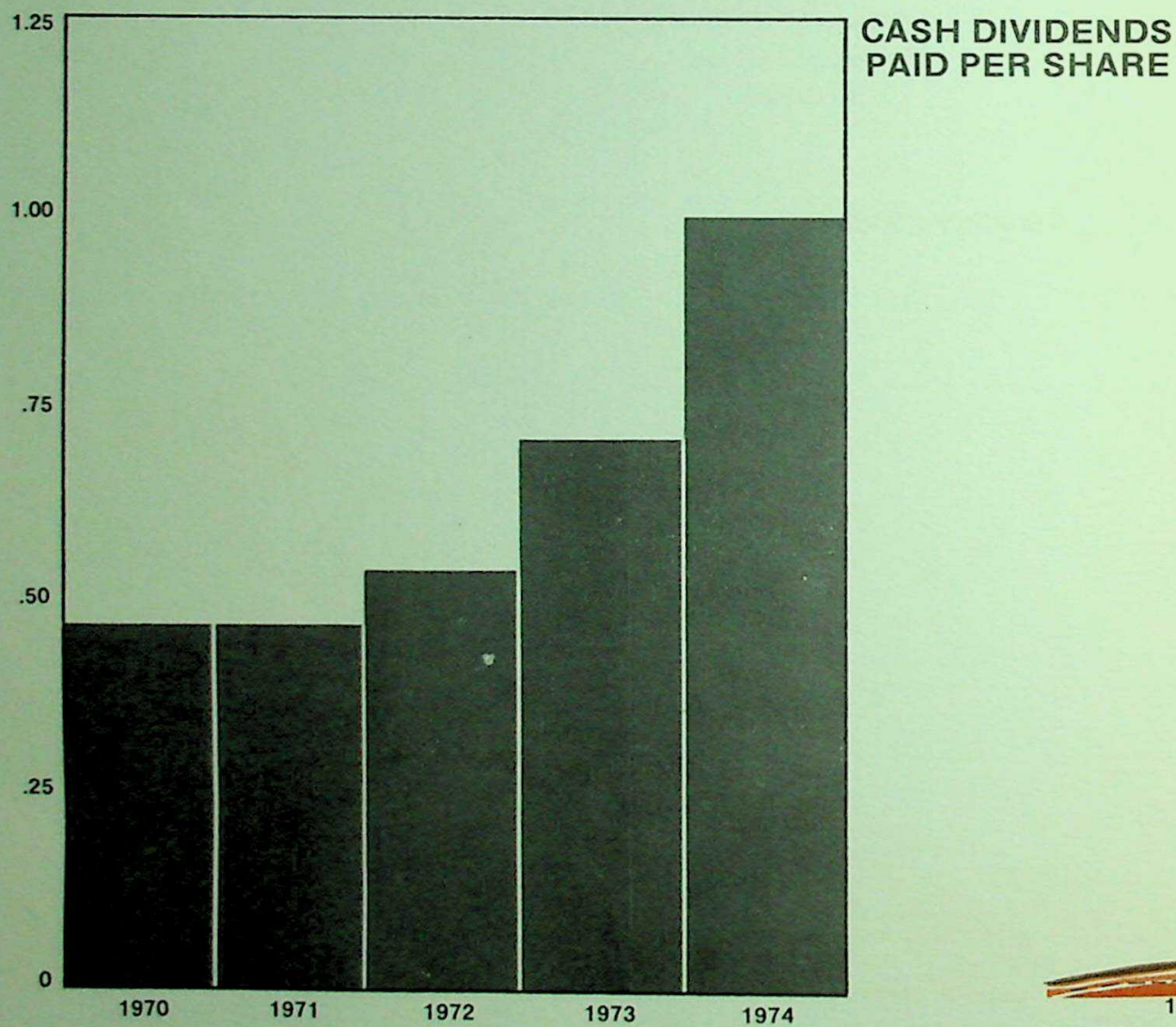
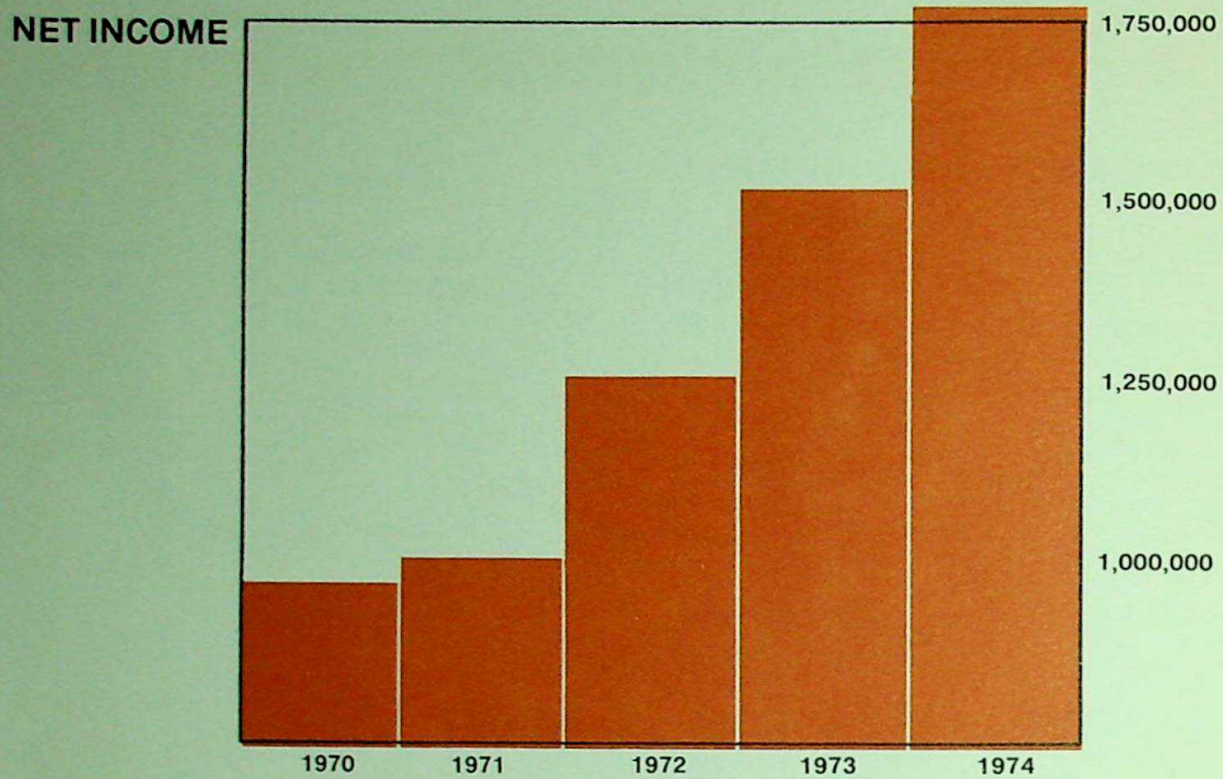
COMMITMENTS AND CONTINGENT LIABILITIES:

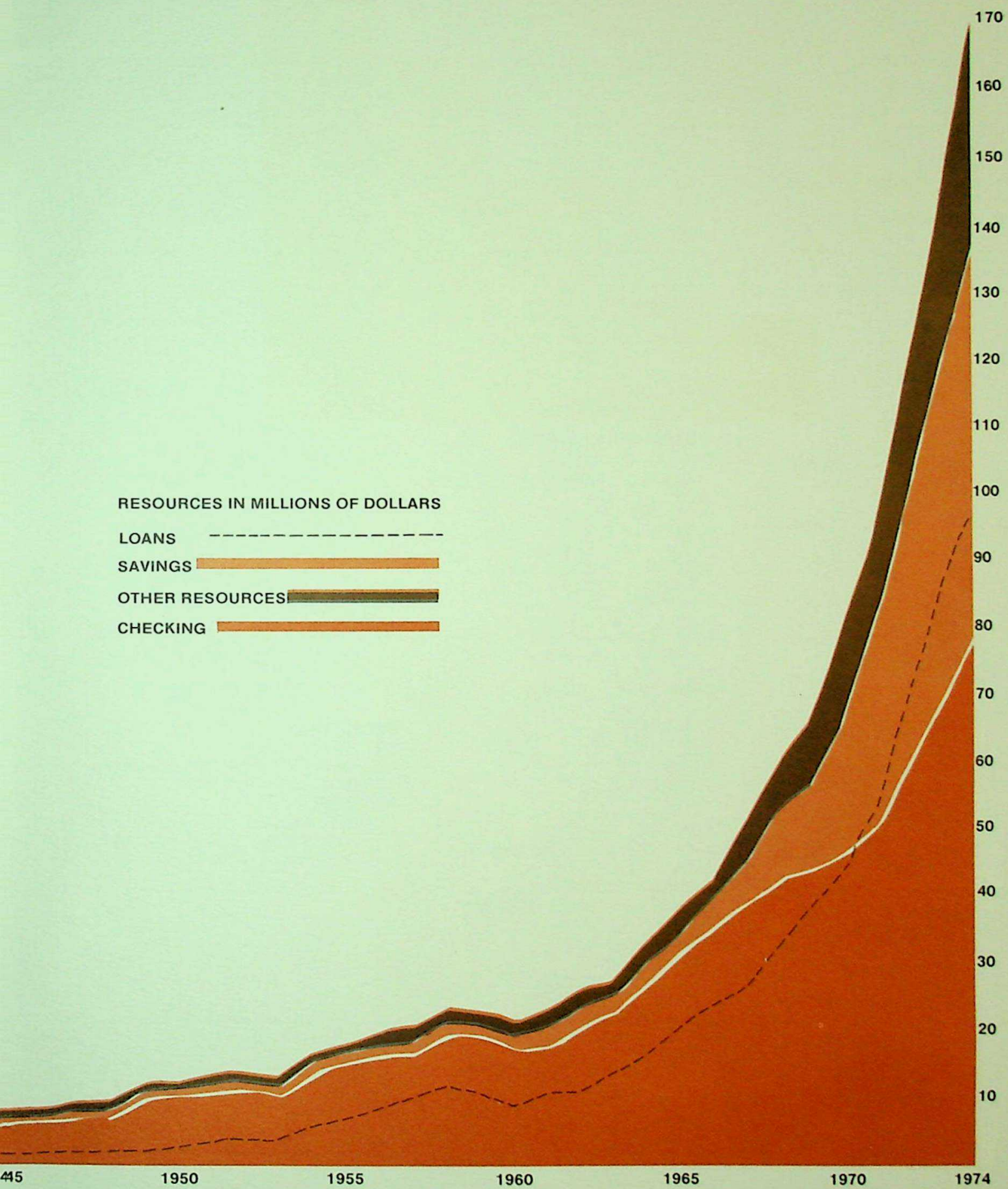
The Bank leases certain property as follows:

	Annual Rental	Expiration Date
Broadmoor Office	\$10,200	1976
Pinhook Office	25,800	1994
USL Office	11,100	1976

LOAN LOSS PROVISIONS:

Loan losses are provided for in accordance with the maximum allowable under the Treasury Tax Formula.





Officers and Directors

Officers

ARTHUR J. BROUSSARD
President
J. HUBERT DUMESNIL
Executive Vice President, Loans
CALVIN GUIDRY
Executive Vice President, Investments
LEWIS C. PICARD
Executive Vice President, Operations and Marketing

SENIOR VICE PRESIDENTS

CLAUDE ARCENEUX
Agriculture Department
JOSEPH P. ARCENEUX
Correspondent Banks and National Accounts
J. RAYBURN BERTRAND
Marketing
DON HUTER
Mgr., Oil Center Branch and Oil & Gas Dept.
S. J. MAY
Loans
CARROL J. SONNIER
Cashier - Operations and Personnel
J. RAYMOND THOMAS
Investments and Trusts

VICE PRESIDENTS

PHILIP J. ACHEE
Mgr., Credit Department
RICHARD W. BILLEAUD
Loans
PAUL BOUDREAUX
Loans - Operations
CHESTER BROUSSARD
Mgr., Moss Street Branch
JAMES CHIASSON
Accounting Dept.
EARL COMEAUX
Mgr., Johnston St. Branch
J. NORBERT CONQUE
Mgr., Commercial Loans
JAMES B. GAUTHIER
Mgr., Consumer Loans
HAROLD J. HEBERT
Mgr., Pinhook Road Branch
RUSSEL MOUTON
Auditor
OCEY ORGERON
Purchasing

ASSISTANT VICE PRESIDENTS

IRVIN BABINEUX
Mgr., Four Corners Branch
BERNARD BILLEAUD
Mgr., Broadmoor Branch
RAYMOND BRASSEUX
Consumer Loans
DARRELL J. BROUSSARD
Trust Department
MRS. MARGIE BROUSSARD
Mgr., Bookkeeping Department
MELVIN CLAUSE
Mgr., Carencro Branch

MRS. LUCY COMEAUX
Administrative Assistant
DUDLEY DELAHOUSSEY
Asst. Mgr., Four Corners Branch
CARROLL DOMINGUE
Consumer Loans
J. WILBERT GUILBEAU
Mgr., Scott Branch
ROY G. HEBERT
Mortgage Loans
MRS. JACKIE McBRIDE
Mgr., Proof - Transit Dept.
EARLIN MILLER
Mgr., Tellers and Currency Comptroller
FRED J. MOUTON, JR.
Consumer Loans
RAYFORD J. SIMON
Consumer Loans
VIVIAN A. TULLOS
Mgr., Special Services

ASSISTANT CASHIERS

DON ASHURST
Asst. Mgr., Johnston St. Branch
JAMES BOND
Commercial Loans
ANN CYRUS
Commercial Loans
JEROME DOMENGEAUX
Commercial Loans
THOMAS L. GUILBEAU
Mgr., Collection Dept.
MRS. BONNIE HEBERT
Asst. Mgr., Bookkeeping
NICK MIRZA
Asst. Mgr., Tellers and Currency Comptroller
J. ALLEN MOUTON
Asst. Mgr., Oil Center Branch
KENNETH P. MOUTON
Trust Department
LOUIS NUGENT
Consumer Loans
RONNIE L. PREJEAN
Asst. Mgr., Oil Center Branch
JAMES VINCENT
Consumer Loans

ASSISTANT TRUST OFFICER

RONALD HEYMANN
Trust Department

MANAGERS

PHYLLIS M. BERGERON
Bank Card Department
MARY BROUSSARD
USL Branch

Directors

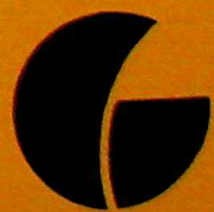
HERBERT H. ABDALLA
Executive Vice President, Abdalla's
ARTHUR F. BARRY
General District Superintendent of Superior Oil Co.
JAMES W. BEAN
Attorney, Bean & Rush
J. RAYBURN BERTRAND
Senior Vice-President, Guaranty Bank & Trust Company
BILLY W. BOLTON
Certified Public Accountant, Bolton & Reed
ARTHUR J. BROUSSARD
President, Chairman of the Board, Guaranty Bank & Trust Company
F. H. DAVIS, SR., M.D.
Physician
D. ROY DOMINGUE
President, Washington Life Insurance Company of America
T. L. EVANS, JR.
Insurance
MRS. ROSE E. GOOCH
Investments
CALVIN J. GUIDRY
Executive Vice-President, Guaranty Bank & Trust Company
JACK A. HAYES
President, Evangeline Motors, Inc.
GRANVEL SALMON
Vice President, Tri-State Oil Tool Industries
GEORGE THOMAS
President, KANE Radio
D. S. YOUNG
Insurance and Real Estate

SECRETARY

J. HUBERT DUMESNIL
Executive Vice-President, Guaranty Bank & Trust Company

ADVISOR

LEWIS C. PICARD
Executive Vice-President, Guaranty Bank & Trust Company



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